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MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC SERVICE COMMISSION HELD IN ITS OFFICES ON MARCH 18, 2010

Commission Chairman Orjiakor N. Isiogu called the meeting to order at 9:38 a.m.  
Executive Secretary Mary Jo Kunkle called the roll and declared there was a quorum.

**PRESENT**

Commission: Orjiakor N. Isiogu, Chairman  
Monica Martinez, Commissioner  
Greg R. White, Commissioner

Staff: Blair Renfro  
Judy Palnau  
Mary Jo Kunkle  
Catherine Bowers

Public: Rick Aaron, Fahey Schultz Burzych Rhodes  
Suzy Denison, MEGA  
B. Roberts, Consumers Energy  
Jim Padgett, DTE Energy  
Ruth Gaudard, AT&T  
Harvey Messing, MCPS  
Tim Hoffman, Consumers Energy  
Kwafo Adarkwa, ITC Holdings

Chairman Isiogu welcomed a delegation of esteemed lawmakers from the Federal Republic of Nigeria. The Nigerian Electricity Regulatory Commission and the Michigan Public Service Commission have entered into a partnership for the exchange of experience and information. A delegation is visiting Lansing this week in furtherance of this partnership.

- I.** Chairman Isiogu announced two amendments to the published agenda, Section III A, Item #6, Case No. U-16238, was deleted, and Section III B, Item #3, Case No. U-15768 *et al.*, was deleted, Commissioner Martinez moved to approve the amended agenda, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The amended agenda was approved.

- II.** Commissioner Martinez moved to approve the minutes of the Regular Commission Meeting of March 2, 2010, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The minutes were approved.

### **III. ORDERS**

#### **A. COMMUNICATIONS**

1. U-14725 COMMISSION’S OWN MOTION  
(Michigan 2-1-1)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which approves the application of Michigan 2-1-1 to remain the designated state 2-1-1 coordinating agency from April 1, 2010 to March 31, 2011, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

#### **PRESS RELEASE ISSUED**

2. U-15966 VIRGIN MOBILE USA, L.P.  
(ETC designation)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which approves Virgin Mobile USA, L.P.’s application for designation as an eligible telecommunications carrier, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

3. U-16133 GLOBAL CONNECTION INC. OF AMERICA  
(ETC designation)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which approves the application filed by Global Connection Inc. of America for designation as an eligible telecommunications carrier, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

4. U-16136 BUDGET PREPAY, INC.  
(ETC designation)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which approves the application filed by Budget PrePay, Inc., for designation as an eligible telecommunications carrier, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

5. U-16195 LIFECONNEX TELECOM, LLC  
(temporary license)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which is an application for a temporary license to provide basic local exchange service. The order before you grants the temporary license, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**B. ELECTRIC**

1. U-13129 COMMISSION’S OWN MOTION  
(low-income and energy efficiency fund)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which involves amendment of the Commission’s September 15, 2009 order in this docket awarding \$55 million in energy assistance grants from the Low-Income and Energy Efficiency Fund to nine organizations. The order before you increases the amount of funds awarded from the Fund for low-income energy assistance by \$1 million, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

2. U-15645 CONSUMERS ENERGY COMPANY  
(rates and tariffs)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which involves Consumers Energy Company's November 2009 rate case proceeding. The order before you approves rates and tariff sheets filed by Consumers Energy Company on February 22, 2010 and authorizes the company to implement the rates on a service rendered basis for service provided on and after March 19, 2010, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

3. U-16032 WISCONSIN PUBLIC SERVICE CORPORATION  
( ' 10 PSCR plan and factors)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which involves an application by Wisconsin Public Service Corporation for authority to implement a power supply cost recovery plan and establish power supply cost recovery factors for the 12-month period ending December 31, 2010. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

4. U-16033 NORTHERN STATES POWER COMPANY  
( ' 10 PSCR plan)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which involves an application by Northern States Power Company, a Wisconsin corporation and wholly owned subsidiary of Xcel Energy, Inc., for authority to implement a power supply cost recovery plan and establish power supply cost recovery factors for the 12-month period ending December 31, 2010. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White

Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

5. U-16036 CLOVERLAND ELECTRIC COOPERATIVE  
(’10 PSCR plan)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which involves an application filed by Cloverland Electric Co-operative for authority to implement a power supply cost recovery plan for the 12-month period ending December 31, 2010. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White

Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

6. U-16037 MIDWEST ENERGY COOPERATIVE  
(’10 PSCR plan)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which involves an application filed by Midwest Energy Cooperative for authority to implement a power supply cost recovery plan for the 12-month period ending December 31, 2010. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White

Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

7. U-16038 THE ONTONAGON COUNTY RURAL ELECTRIFICATION ASSOCIATION ('10 PSCR plan)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which involves an application filed by The Ontonagon County Rural Electrification Association for authority to implement a power supply cost recovery plan for the 12-month period ending December 31, 2010. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

8. U-16039 THUMB ELECTRIC COOPERATIVE ('10 PSCR plan)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which involves an application filed by Thumb Electric Cooperative for authority to implement a power supply cost recovery plan for the 12-month period ending December 31, 2010. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

9. U-16041 GREAT LAKES ENERGY COOPERATIVE ('10 PSCR plan)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which involves an application filed by

Great Lakes Energy Cooperative for authority to implement a power supply cost recovery plan for the 12-month period ending December 31, 2010. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

10. U-16042 PRESQUE ISLE ELECTRIC & GAS CO-OP  
(’10 PSCR plan)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which involves an application filed by Presque Isle Electric & Gas Co-op for authority to implement a power supply cost recovery plan for the 12-month period ending December 31, 2010. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

11. U-16043 HOMEWORKS TRI-COUNTY ELECTRIC COOPERATIVE  
(’10 PSCR plan)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which involves an application filed by HomeWorks Tri-County Electric Cooperative for authority to implement a power supply cost recovery plan for the 12-month period ending December 31, 2010. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

12. U-16129 COMMISSION'S OWN MOTION  
(stray voltage investigation)

Commissioner Martinez moved that the Commission adopt and issue minute dated March 18, 2010 accepting the Commission Staff's March 4, 2010 Stray Voltage Investigation Panel Invoice Analysis Report, approving the recommendation of the Staff regarding the disallowance of certain of the invoiced expenses of four of the expert investigators as unreasonable under the authority provided in R 460.2705(5), and directing the Commission's Executive Secretary to forward a copy of the March 4, 2010 Staff Report to Consumers Energy Company with instructions for (1) payment by the utility to the expert investigators pursuant to R 460.2705(6) of the reimbursable amounts identified by the Staff within 10 business days, and (2) the utility's obligation to submit to the Staff proof of payment of the adjusted invoice amounts to each of the five expert investigators, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The minute was adopted.

13. U-16152 DETROIT THERMAL, LLC  
(steam SCR plan and factors)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which is an application filed by Detroit Thermal, LLC, for approval of a steam supply cost recovery plan and factors for the 12-month period from April 1, 2010 through March 31, 2011. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

14. U-16233 MIDLAND COGENERATION VENTURE LIMITED  
PARTNERSHIP  
(*ex parte* approval of an amendment)



Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which involves an application by Midland Cogeneration Venture Limited Partnership for *ex parte* approval of an amendment to its power purchase agreement with Consumers Energy Company to transfer scheduling responsibility to Midland Cogeneration Venture Limited Partnership. The order before you grants this request, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**C. GAS**

1. U-15453-R SEMCO ENERGY GAS COMPANY  
(’09 GCR reconciliation)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which involves an application by SEMCO Energy Gas Company for a gas cost recovery reconciliation for the 12-month period ended March 31, 2009. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

2. U-15699 MICHIGAN CONSOLIDATED GAS COMPANY  
(depreciation rates)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which involves an application by Michigan Consolidated Gas Company for depreciation accrual rates for accounting and ratemaking purposes for the company’s gas utility plant. The order before you approves a depreciation method and revised depreciation rates, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

3. U-16149 CONSUMERS ENERGY COMPANY  
( '10-'11 GCR plan and factors)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which involves a request by Consumers Energy Company for approval of its gas cost recovery plan and factors for April 2010 through March 2011. The order before you reverses the Administrative Law Judge and finds that the joint petition to intervene filed by Direct Energy Services, LLC and Interstate Gas Supply, Inc. shall be denied, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

4. U-16177 SOUTH ROMEO GAS STORAGE COMPANY, L.L.C.  
(certificate of public convenience and necessity)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which involves an application by South Romeo Gas Storage Company, L.L.C., requesting a certificate of public convenience and necessity authorizing the company to increase the maximum stabilized wellhead pressure of the Washington 28 Storage Field in Washington Township. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

5. U-16188 SAVOY ENERGY LIMITED PARTNERSHIP  
(pipeline)

Commissioner Martinez moved that the Commission adopt and issue order dated March 18, 2010 which involves an application by Savoy Energy Limited Partnership to construct and operate the East Bay Pipeline in Grand Traverse County. The proposed order approves the application, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White

Nays – None

The order was adopted.

#### **IV. PUBLIC COMMENTS**

There were no public comments.

Chairman Isiogu announced that the next regularly scheduled Commission Meeting will be held on April 13, 2010.

Commissioner Martinez moved that the Commission adjourn, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White

Nays – None

The motion was approved.

The meeting adjourned at 9:56 a.m.

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Mary Jo Kunkle  
Executive Secretary